



General Assembly

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Amendment

LCO No. 5987

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Offered by:

REP. WILLIAMS, 68th Dist.

REP. BACKER, 121st Dist.

To: Subst. House Bill No. 5817

File No. 326

Cal. No. 193

"AN ACT CONCERNING RESOURCE RECOVERY FACILITIES."

1 After the last section, add the following and renumber sections and
2 internal references accordingly:

3 "Sec. 501. (NEW) (*Effective from passage*) (a) As used in this section:

4 (1) "Ancillary services" means those services necessary to effect a
5 transfer of natural gas capacity between a gas company and natural
6 gas seller and that a gas company must include in a transmission tariff.

7 (2) "Balancing assets" means those assets owned or held by a gas
8 company to equalize the volumes of gas withdrawn for a gas company
9 from a pipeline system with the volumes of gas injected into the
10 pipeline.

11 (3) "Capacity" means the maximum amount of natural gas that can
12 be produced, transported, stored, distributed or used in a given
13 period.

14 (4) "Commodity sales service" means those services performed by or
15 on behalf of the gas company associated with the provision of natural
16 gas to the end user.

17 (5) "Distribution costs" means those costs incurred by a gas
18 company in connection with the distribution of natural gas, including,
19 but not limited to, maintenance, installation, use or repair of gas mains,
20 service connections and equipment to carry or control the supply of
21 natural gas from the point of local supply to and including the sales
22 meters.

23 (6) "Distribution service" means any service performed by or on
24 behalf of a gas company in connection with the distribution of natural
25 gas, including, but not limited to, maintenance, installation, use or
26 repair of gas mains, service connections and equipment to carry or
27 control the supply of natural gas from the point of local supply to and
28 including the sales meters.

29 (7) "Firm storage capacity" means natural gas that is received by a
30 gas company and held for redelivery to a customer at a later time.

31 (8) "Gas company" means "gas company", as defined in section 16-1
32 of the general statutes.

33 (9) "Natural gas seller" means any person that sells natural gas to an
34 end user in the state and is registered with the Department of Public
35 Utility Control in accordance with section 16-258a of the general
36 statutes.

37 (10) "Peaking assets" means those assets owned or held by a gas
38 company for the supply of natural gas available to meet peak demand.

39 (11) "Storage assets" means those assets owned or held by a gas
40 company for service in which natural gas is received by the gas
41 company and held for redelivery to a customer at a later time.

42 (12) "Storage services" means those services performed by or on
43 behalf of a gas company in connection with service in which natural

44 gas is received by the gas company and held for redelivery to a
45 customer at a later time.

46 (13) "Supply contract" means any arrangement, agreement, contract
47 or other instrument that sets forth the conditions applicable to natural
48 gas service.

49 (14) "Supply-related costs" means costs incurred by a gas company
50 in connection with the supply of natural gas to an end user.

51 (15) "Transportation" means the act of moving gas from a
52 designated receipt point to a designated delivery point pursuant to the
53 terms of a contract between the transporter and the shipper.

54 (16) "Upstream" means from a reference point, any point located
55 nearer the origin of flow, that is, before the reference point is reached.

56 Sec. 502. (NEW) (*Effective from passage*) On and after October 1, 2007,
57 all retail natural gas customers of any gas company may purchase
58 natural gas supply services from any natural gas seller registered with
59 the Department of Public Utility Control in accordance with section 16-
60 258a of the general statutes or such customer's gas company to the
61 extent it offers such services.

62 Sec. 503. (NEW) (*Effective from passage*) (a) All natural gas sellers
63 shall have unlimited access to the firm transportation rights held by
64 any gas company, and each gas company that holds contracts for firm
65 storage or transportation capacity, including supply contracts, shall
66 release, assign or otherwise transfer such capacity or contracted-for
67 supply on a nondiscriminatory basis to any natural gas sellers in
68 accordance with sections 501 to 506, inclusive, of this act.

69 (b) Each gas company shall, on a daily basis, release, assign or
70 transfer a pro rata share of one hundred per cent of such gas
71 company's maximum daily quantity of pipeline capacity, as defined by
72 the gas company, including storage, peaking and balancing assets
73 sufficient to cover the level at which such gas company has procured

74 capacity in order to meet customer requirements effectively. Each such
75 gas company that releases capacity to a natural gas seller shall do so
76 through the expiration date of the respective capacity contract being
77 assigned, released or transferred, provided, if a customer who is being
78 served by a natural gas seller switched to natural gas service provided
79 by a gas company, the capacity attributable to such customer shall
80 revert back to said gas company.

81 (c) No gas company shall present any unnecessary barriers that
82 prevent or reduce ready access to natural gas supply service for all
83 customer classes, and each gas company shall ensure
84 nondiscriminatory access to upstream capacity and storage services for
85 all natural gas sellers.

86 (d) Each gas company shall establish and operate an electronic
87 bulletin board by which the gas company shall provide all natural gas
88 sellers with equal and timely access to information relevant to the
89 availability of firm distribution service.

90 (e) Each natural gas seller and gas company shall manage each
91 customer's natural gas supply to enable the customer to meet the
92 customer's daily usage with the customer's confirmed pipeline
93 delivery of natural gas supplies.

94 (f) On or before October 1, 2007, the Department of Public Utility
95 Control shall establish rules for balancing natural gas supply with
96 natural gas use to meet the gas reliability needs of customers as
97 provided in subsection (e) of this section. The department shall
98 conduct a contested case proceeding pursuant to the provisions of
99 chapter 54 of the general statutes to establish such balancing rules.

100 (g) The department shall conduct a contested case proceeding
101 pursuant to the provisions of chapter 54 of the general statutes to
102 establish a procedure for monthly imbalance trading and nonpunitive
103 and the assessment of market-based penalties in accordance with
104 subsection (a) of this section for balancing and delivery tolerances. The
105 department shall not establish, assess or impose a penalty upon any

106 natural gas seller unless the affected gas company has incurred an
107 actual monetary loss.

108 Sec. 504. (NEW) (*Effective from passage*) (a) Each gas company shall
109 maintain the right to recall, on a daily basis, any or all of a natural gas
110 seller's assigned capacity if the natural gas seller is declared ineligible
111 to nominate gas or otherwise fails to meet the responsibilities for
112 natural gas sellers. Any such natural gas seller that is declared
113 ineligible to nominate gas or otherwise fails to meet the responsibilities
114 for natural gas sellers may be subject to civil penalties imposed by the
115 Department of Public Utility Control, provided, the department shall
116 not assess any penalty that is unfair, disproportionate or otherwise
117 does not accurately reflect any actual loss sustained by the affected gas
118 company.

119 (b) On or before October 1, 2007, the Department of Public Utility
120 Control shall establish credit policies for natural gas sellers and rules
121 to govern capacity assignment, transfer or release. The department
122 shall conduct a contested case hearing in accordance with chapter 54 of
123 the general statutes to establish such capacity release rules and credit
124 policies.

125 Sec. 505. (NEW) (*Effective from passage*) (a) Each gas company shall
126 fully unbundle its rate schedules such that all discrete services
127 provided by the gas company are separately identified and charged in
128 such gas company's tariffs. Each gas company shall accurately and
129 separately allocate the gas company's supply-related costs and
130 distribution costs such that the gas company's supply rates set forth in
131 its unbundled rate schedule accurately reflects the gas company's costs
132 to provide retail natural gas service. Each gas company shall, by
133 reallocating its costs, fully identify all supply-related costs in its supply
134 rates, including, but not limited to, (1) commodity sales service; (2)
135 distribution service; (3) ancillary services; and (4) the total costs to
136 provide each such service.

137 (b) Each gas company shall use utility consolidated billing by which

138 such gas company shall transmit one bill to natural gas customers that
139 includes gas service charges imposed by a natural gas seller. Each such
140 gas company shall purchase the receivables of the natural gas seller
141 with full and timely cost recovery for the gas company under terms
142 and conditions approved by the Department of Public Utility Control.

143 (c) Upon request by a natural gas seller, each gas company shall
144 provide to such requesting natural gas seller the following customer
145 information, provided, no gas company shall provide such information
146 relating to a customer who withholds or withdraws consent to do so:
147 (1) Account name; (2) billing address; (3) service address; (4) utility
148 account number or unique customer identifier; (5) utility rate class;
149 and (6) monthly historic consumption for the previous twenty-four
150 months. Each gas company shall update and provide the preceding
151 information to each natural gas seller on a quarterly basis.

152 Sec. 506. (NEW) (*Effective from passage*) Any natural gas seller may
153 solicit and enter into a sales agreement with a prospective customer
154 and act as such customer's agent, provided, however, that each such
155 natural gas seller shall obtain the customer's consent to initiate natural
156 gas service. Natural gas sellers may obtain customer consent and
157 enroll new customers by (1) telephonic agreement; (2) electronic or
158 Internet-based agreement; or (3) written agreement, which shall bear
159 the customer's signature, including facsimile copies of a customer-
160 signed agreement."